DR. MANMOHAN SINGH: Mr. Chairman, Sir, the Home Minister has rightly stated that there is an intimate relationship between security and development. In the last three or four years, Prime Ministers whenever they visited the North-Eastern Region, have announced packages, but the harsh reality is that the ordinary people do not see money filtering down to them. In this particular context, Sir, I would like to inform the Home Minister that when our Government was in office, a very prestigious project, namely, the Assam Gas Cracker was approved, for which the Government of India had agreed to give a capital subsidy of Rs. 400 crores because this is a project which has huge employment implications for the youth of Assam. To my knowledge, till this date, nothing concrete has been done to ensure that this project fructifies. Now, I would like to know: Would the Home Minister tell us as to what steps are being taken by the Government to see that Assam Gas Cracker project gets off the ground.

SHRI L.K. ADVANI: Mr. Chiarman, Sir, I would seek a fresh notice for this particular question.

*285. [*The questioner (Shri Shibu Soren) was absent. For anwer, vide Page 23 infra*]

Decline in Textile Exports

*286. SHRI PREM CHAND GUPTA: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that textiles account for one-third of our total exports;

(b) whether it is also a fact that in 1997-98, textile export growth rate dropped to 4.1 per cent against a growth rate of 15.7 per cent in 1996-97;

(c) if so, what is the reason for this decline; and

(d) what action Government are taking to increase the growth of exports of textiles?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA): (a) to (d) A statement is laid on the Table of the House.

STATEMENT

(a) Yes, Sir. The textile account for approximately 1/3rd of our total exports.

(b) In 1997-98, the textile exports grew in dollar terms by 4.2% compared to 1996-97 while in 1996-97 the same grew by 10.8% compared to 1995-96.

(c) The main reasons for decline are:—

(i) Slow growth in cotton yarn exports due to slowdown in South East Asian economy.

(ii) Low unit value realisation in non-restrained items in the case of apparel articles.

(iii) Non-release of exceptional flexibilities in full by EU during 1997.

(iv) General recession in the world market (there was overall decline in Indian exports by 2%).

(d) Government have been taking several steps from time to time to boost textile exports. Some of the important initiatives are as under:—

(1) The Technology Upgradation Fund Scheme has been made operational with effect from 1-4-1999 to facilitate the modernisation and Upgradation of textile sector.

(2) The New Export Entitlement (Quota) Policy for the period 2000—2004 has been announced to provide stability and continuity and encourage competitiveness in textile exports.

(3) Non-Quota Entitlement (NQE) System for encouraging Non-Quota exports to Quota and non-quota countries has been retained to boost exports in apparel sector-value added segment of Indian textiles.

(4) Threshold limit under the Zero Duty Export Promotion Capital Goods (EPCG) Scheme has been reduced to Rs. 1 crore in respect of certain prescribed textile machinery.

(5) Exports of cotton yarn by Export Oriented Unit (EOU)/Export Promotion Zone (EPZ)/EPCG units has been liberalised.

(6) Zero Duty import of certain categories of trimmings & embellishments has been allowed.

SHRI PREM CHAND GUPTA: Mr. Chairman, Sir, as far as our exports are concerned, the export of textiles is one of the most important foreign

exchange earning source. It amounts to one-third of our total exports. In 1996-97, we had a growth rate of 19.9 per cent over the previous year. In 1997-98, it was reduced to 4 per cent in dollar terms. This decline in the percentage of growth rate is a very serious matter of concern.

Sir, I want to know from the hon. Minister what steps we are taking to ensure that we get the maximum share of this important sector by the year 2005 when the WTO provision will become effective and all the countries will be free to export any quantity of garments to anywhere in the world.

SHRI KASHIRAM RANA: Sir, I have already mentioned in my reply that our exports have gone down due to some unavoidable circumstances. I have already mentioned the reasons including the fact that there is slowdown in the economy of the South-East Asian countries. There is recession in the world market. So, our export has come down to 4.2 per cent in 1997-98. In 1997-98, our exports were worth 12.3 billion dollars. But, I think this year our export will be grown to 13 billion dollars to 14 billion dollars.

My hon. friend wanted to know what steps the Government is taking. In my reply, I have also mentioned the steps taken by the Government of India. I am confident that with steps taken by the Government, the target for the year 1999-2000 will be definitely achieved.

SHRI PREM CHAND GUPTA: Sir, it is alarming to know that our garment export is worth only Rs. 17,000 crores per annum as compared to that of a small country like Taiwan which exports garments worth Rs. 65,000 crores per year. China exports Rs. 97,000 crores worth of garments every year. Despite being such a large nation, our export of garments is worth Rs. 17,000 crores only. The Government should go into the reasons for this. Just saying that the Government is taking steps is not going to serve the purpose. We have to go deep into the question to find out why our export is not growing. Our textile industry, particularly the garment industry, is absolutely outdated. It is not up to international standards. Our quality is not good. Our delivery schedule for export is not reliable. Shipment of goods from ports is not fast enough. The cargo lies at the international airport because there are not enough chartered flights going to European and American destinations. So, we have to go into the root cause to understand the declining or stagnant situation that is prevailing in our exports. Sir, the Government had introduced a Textile Upgradation Fund in 1999. One and-a-half-year has passed and nothing has been done so far. Even the parameters are not clear. I would also like to know from the hon. Minister as to what measures are being taken to ensure that by the year 2005, when the

WTO provisions would come into effect, we are able to export higher quantity freely to any country. How are we going to achieve that objective? These are my specific questions. If the hon. Minister is not in a position to reply right now, he can write to me later on.

SHRI KASHIRAM RANA: Sir, I am in a position to reply to the questions asked by the hon. Member.

Sir, I agree that the Chinese share, in the international market is nearly 26 per cent, while that of India is nearly 2.75 per cent. It is so because it has been so since long. These exports are dependent on the quota share. Taiwan's quota share with the developed countries is very large. We have succeeded in obtaining this quota as per the MF agreement with the EU and USA, and we are able to meet the quota supplies. Our garment export in 1996-97 was 4.91 billion dollars. In 1998-99 it was 5.26 billion dollars. That means our garment exports have increased.

Sir, the hon. Member has said that the TUFS is not functioning very well. In this connection, I would like to give details about its performance. Of course, its performance is not very satisfactory. It is because of the initial stage. Its performance will definitely improve. So far as the TUFS is concerned, out of the 240 applications with project cost of Rs. 4.671 crores, the banks, the nodal agencies, have approved 159 applications and have sanctioned an amount of Rs. 1,588.59 crores. Out of this amount, Rs. 429 crores has already been disbursed. Some scrutinisation and other formalities have to be completed. Unless these formalities are completed how could the bank disburse the amount?

SHRI PREM CHAND GUPTA: Is the Minister aware of the WTO provisions? I am sorry to put this question.

MR. CHAIRMAN: You have already put your second supplementary.

SHRI PREM CHAND GUPTA: But he has not replied to it.

श्री ओंकार सिंह लखावत: माननीय सभापति महोदय, यह एक गंभीर संकेत है कि लगभग 33 प्रतिशत निर्यात यहां से जो हमारे गारमेंट, वस्त्र का होता है इसमें कमी आई है, मैं माननीय मंत्री जी से जानना चाहता हूं कि क्या इस कमी के कारण केवल निर्यात पर ही असर पड़ रहा है या हमारे कॉटन प्रोडक्सन पर, हमारे रोजगार और ओवर आल देश के आर्थिक ढांचे पर भी असर पड़ रहा है? क्या आपके पास इस सबको समयबद्ध रूप से वापिस ठीक करने की कोई कारगर योजना है। मैं आपसे जानना चाहता हूं कि क्या आपने कोई टाइमफ्रेम प्रोग्राम बनाया है, इस सबको ठीक करने के लिए?

श्री काशीराम राणा: सभापति महोदय, सरकार ने टाइम बाउण्ड प्रोग्राम बनाया है। इतना ही नहीं सरकार ने पहले भी कहा है जब डू. टी. ओ. के तहत मार्केट फ्री हो जाएगी, मिनिस्ट्री की ओर से, वह मार्किट इंडस्ट्री हो या टेक्सटाइल इंडस्ट्री हो उसको स्ट्रेंथन करने के लिए बहुत सारे स्टेप लिए गए हैं, जैसे "टेक्नोलाजी अपग्रेशन फंड स्कीम" है, "टेक्नोलाजी मिशन आन कॉटन" है, इसके साथ-साथ कॉटन पोलिसी 2000-2004 के लिए डिक्लेयर की है। ये सारे स्टेप लिए हैं क्योंकि जब मार्केट फ्री हो जाएगी तब टेक्सटाइल सेक्टर की कम्पिटेटिवनेस बढ़े, इसके लिए हमने पूरा प्रावधान किया है। यह बात सही नहीं है कि हमारा एक्सपोर्ट नेगेटिव है। हमारा एक्सपोर्ट अभी 35.73 प्रतिशत हो गया है, टोटल एक्सपोर्ट बढ़ा है और मैं यह अवश्य कहूंगा कि जो 1997-98 में 46,092 करोड़ था वह बढ़कर 1998-99 में 52721 करोड़ हो गया है। हमें इससे संतोष नहीं है इसलिए हमने और भी बहुत से स्टेप लिए हैं जिससे हम एक्सपोर्ट से रोजगार भी पैदा कर सकते हैं और इससे हमें विदेशी मुद्रा भी मिलेगी। इसीलिए सरकार एक्सपोर्ट बढ़ाने के लिए ये सारे स्टेप ले रही है।

SHRI GURUDAS DAS GUPTA: Mr. Chairman, Sir, National Textile Corporation is a vital part of our textile industry. Will the Minister inform the House as to what steps he is taking for upgrading and reviving the mills of the National Textile Corporation? This is connected with our production and export.

SHRI KASHIRAM RANA: Mr. Chairman, Sir, NTC is not a part of this question.

SHRI GURUDAS DAS GUPTA: It concerns with textiles. This comes out of the first answer, Technology Upgradation Scheme has been made operational. On this question, I am requesting you to kindly let the House know whether advantage of this fund will be given to the NTC.

SHRI KASHIRAM RANA: Though it is not connected to the main question, I will reply. So far as the NTC mills are concerned, the Ministry of Textiles are going to submit a note on new revival package for NTC, to the Cabinet for approval. I think it will be done, as early as possible. As the hon. Member wants the NTC problem to be solved, it will be definitely solved.

MR. CHAIRMAN: Shrimati Savita Sharda. ..*(Interruptions)*... No question. You have already put your question.

श्रीमती सविता शारदा: सभापति महोदय, क्या माननीय मंत्री जी यह बताने की कृपा करेंगे कि क्या निर्यात घटने का कारण, जो बड़ी मात्रा में कारखाने बंद हो रहे है, वह तो नहीं है? सूरत, जो उद्योग की दृष्टि से बहुत महत्वपूर्ण इंडस्ट्री माना जाता है उसमें भी धीरे-धीरे मंदी आती जा रही है और निर्यात कम होता जा रहा है। क्या इसका कारण यह तो नहीं है कि एक्साइज ड्यूटी बढ़ गई है? सरकार इस पर क्या कार्रवाई कर रही है और निर्यात का जो स्तर गिर गया है उसके क्या कारण है?

श्री काशीराम राणा: सभापति महोदय, जितना हमारा टॉरगेट है, उतना निर्यात नहीं हुआ। इसका कारण सिर्फ कारखाने बंद होना नहीं है। हमें जो एक्सेप्शनल फ्लेक्सीबिलिटी ई. यू. से मिलती थी, वह फ्लेक्सीबिलिटी भी नहीं मिली। इसका नेगोसियेशन चल रहा है। मुझे लगता है कि इससे एक्सपोर्ट बढ़ेगा।

MR. CHAIRMAN: Question Hour is over.

WRITTEN ANSWERS TO STARRED QUESTIONS

Uniform Electricity Rates

*283. SHRI ABANI ROY: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that rates of electricity/power charged by Electricity Boards differ from State to State;

(b) if so, the reasons and justification therefor;

(c) what are the rates per unit both residential and commercial/ industrial charged at present from consumers in various States;

(d) whether Government propose to bring at per electricity rates throughout the country as a measure of justice;

(e) if so, by when; and

(f) if not, the reasons therefor?

THE MINISTER OF POWER (SHRI P. R. KUMARAMANGALAM): (a) Yes, Sir.

(b) The tariff for sale of electricity to different categories of consumers is fixed by the State Electricity Boards with the approval of the concerned State Governments.

(c) A statement showing the rates per unit both residential and commercial/ industrial charged at present from consumers in various States is enclosed (*see* below).

(d) to (f) There is no proposal to bring electricity rates at par throughout the country. With a view to rationalising electricity tariffs, Government of India have enacted Electricity Regulatory Commissions Act, 1998 enabling the State Governments to constitute State Electricity Regulatory Commissions who will have powers to determine the tariff for electricity. So far, fourteen states have constituted/ notified State Electricity Regulatory Commissions. Out of these four states have constituted Regulatory Commissions as per provisions of their own Reform Acts.